

City Of North Miami *City Of North Miami*

Preliminary 2nd, Budget Hearing

*September 22nd, 2014
6:00 P.M.*



**776 N.E. 125th Street North Miami, FL 33161
(305) 893-6511
northmiamifl.gov
VERBATIM MINUTES**

**SPECIAL MEETING
2nd BUDGET HEARING**

SEPTEMBER 22nd, 2014

The second budget hearing of the North Miami City Council was held in the Council Chambers of City Hall on Tuesday, September 22nd, 2014, beginning at 6:00 p.m.

(Phonetic spelling of each speaker's name may be used throughout the minutes unless correct spelling is known.)

1. *CALL TO ORDER / ROLL CALL OF MEMBERS*

Mayor Bien-Aime: Good afternoon everyone. Welcome to the good City of North Miami. We are here for our Second and Final Budget Hearing. Let the record reflect it is Monday, September 22nd, 2014. It is 6 o'clock. We will begin our City Council about our Budget...Second Hearing Budget for the year 2014-2015. City Clerk, roll call.

ROLL CALL	Mayor Bien-Aime	Here
	Councilman Galvin	Here
	Councilwoman Steril	Here
	Councilwoman Keys	Here

City Clerk Etienne: Mayor, we have a quorum.

Mayor Bien-Aime: Thank you.

2. *PLEDGE OF ALLEGIANCE*

Mayor Bien-Aime: Please stand for the Pledge of Allegiance with Chief Burgess, followed with the Invocation with Mike McDearmaid.

Chief Burgess: Let's everybody rise and place your right hand over your heart and repeat collectively together. I pledge allegiance to the flag of the United States of America and to the republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

3. INVOCATION

Mr. McDearmaid: Dear Heavenly Father, bless the members of this City Council and Staff. And give them insight and courage in their deliberations for the betterment for all the people of the City. Amen.

4. ORDER OF BUSINESS

Mayor Bien-Aime: Thank you.

5. PUBLIC HEARINGS

TAB A

Mayor Bien-Aime: We have two items in the Agenda. We're going to start with the first one Tab A. Mr. City Clerk, please read.

City Clerk Etienne: Tab A, and be patient cause I have to read it in its entirety.

City Clerk Etienne: (reads resolution by title only)

A RESOLUTION OF THE VICE MAYOR AS ACTING MAYOR AND THE CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA, ADOPTING A FINAL MILLAGE RATE OF 7.9336 MILLS FOR FISCAL YEAR 2014 – 2015; PROVIDING FOR AN EFFECTIVE DATE AND FOR ALL OTHER PURPOSES

Mayor Etienne: Whereas, the City of North Miami Florida has considered, an operating budget for Fiscal Year 2014 – 2015 in accordance with the provisions of Section 200.065 Florida Statutes 2014 and whereas, the millage rate necessary to fund the City's operating budget for Fiscal Year 2014 – 2015 is 7.9336 mils which is 9.49% more than the roll back rate of 7.1808 mils. And whereas, in accordance with Section 200.065 (5) Florida Statutes 2014 as amended from time to time, a majority vote of the Vice Mayor as Acting Mayor and City Council is required to adopt a rate of up to 7.9336 mils. And whereas, the Vice Mayor as Acting Mayor and City Council find that the adoption of the proposed final millage rate for Fiscal Year 2014 – 2015 is in the best interest of the City. Now therefore be it resolved by the Vice Mayor as Acting Mayor and City Council of the City of North Miami, Florida as follows. Section 1, adoption of tentative millage rate. The Vice Mayor as Acting Mayor and City Council of the City of North Miami, Florida hereby adopt 7.9336 mils as the final millage rate on assessed property value

necessary to fund the City's Fiscal Year 2014 – 2015 operating budget. Section 2, effective date; this resolution shall become effective immediately upon adoption. Passed and adopted by a blank vote of the Vice Mayor as Acting Mayor and City Council of the City of North Miami this blank day of September 2014.

Mayor Bien-Aime: Thank you very much. Public Hearing is open on Tab A. Public Hearing is open on Tab A. Public Hearing is open on Tab A. Public Hearing is now closed.

Councilman Galvin: Move approval of the resolution.

Mayor Bien-Aime: Seconded.

Councilwoman Keys: Second.

Mayor Bien-Aime: Mr. City Clerk, roll call.

City Clerk Etienne: Motion made by Councilman Galvin, seconded by Acting Mayor Bien-Aime.

ROLL CALL	Mayor Bien-Aime	Yes
	Councilman Galvin	Yes
	Councilwoman Keys	Yes
	Councilwoman Steril	Yes

City Clerk Etienne: Item passes 4-0

Mayor Bien-Aime: Thank you very much. Tab B.

TAB B

City Clerk Etienne: Tab B.

Mayor Bien-Aime: Yeah you're going to read it.

City Clerk Etienne: (reads ordinance by title only)

AN ORDINANCE OF THE VICE MAYOR AS ACTING
MAYOR AND CITY COUNCIL OF THE CITY OF
NORTH MIAMI, FLORIDA, ADOPTING AND
APPROVING THE BUDGET OF THE CITY FOR THE
FISCAL YEAR COMMENCING OCTOBER 1, 2014 AND
ENDING SEPTEMBER 30, 2015; AUTHORIZING THE

AMOUNT TO BE RAISED BY TAXATION FOR THE OPERATION OF THE CITY FOR THE 2014-2015 FISCAL YEAR; AUTHORIZING THE EXPENDITURE OF FUNDS ESTABLISHED BY THE BUDGET; AUTHORIZING A “RETURN ON INVESTMENT” TRANSFER FROM THE WATER & SEWER UTILITY FUND TO THE GENERAL FUND; AUTHORIZING THE CITY MANAGER TO IMPLEMENT BUDGET AMENDMENTS (REVENUE AND/OR EXPENDITURE) TO APPROPRIATE OR UNAPPROPRIATE FUNDS AS REQUIRED DURING THE FISCAL YEAR, AND TO AMEND THE PRIOR FISCAL YEAR BUDGET TO FACILITATE THE YEAR-END CLOSING PROCESS; PROVIDING FOR REPEAL, SEVERABILITY AND AN EFFECTIVE DATE.

City Clerk Etienne: Whereas, the Budget of the City of North Miami, Florida (CITY) for the Fiscal Year commencing October 1, 2014 and ending September 30, 2015 (attached hereto as “Exhibit 1”) was considered at public hearings held on September 10, 2014, and September 22, 2014, as required by Chapter 200, Florida Statutes; and whereas, the Vice Mayor as Acting Mayor and City Council wish to approve and adopt the Budget of the City for the fiscal year beginning October 1, 2014, and ending September 30, 2015, and to authorize that this amount be raised by taxation for the operation of the City for the 2014 – 2015 Fiscal Year. Now, therefore, be it ordained by the Vice Mayor as Acting Mayor and City Council of the City of North Miami, Florida that Section 1, Budget Approved and Adopted. The Budget of the City of North Miami for the 2014 – 2015 Fiscal Year, (attached hereto as ‘Exhibit 1’), is hereby approved and adopted. Section 2, Implement Budget Amendments. The City Manager of the City of North Miami is hereby, authorized to implement Budget amendments (revenue and/or expenditure) by resolution, to appropriate or un-appropriate funds as required during the fiscal year, and to amend the prior fiscal year budget, by resolution, to facilitate the year-end closing process. Section 3, Expenditure of Funds Appropriated in the Authorized Budget. Funds appropriated to the various departments in the Budget may be expended by the directors of each department by and with the approval of the City Manager in accordance with the provisions of the City Charter and applicable Ordinances. Expenditures of funds (including, but not limited to enterprise funds, internal service funds and expendable trust funds) under circumstances which additional revenues are generated by user fees or charges to offset the cost of supplying a service to the residents or other City departments, shall not be limited by estimated appropriations, but rather by actual revenue, and to that extent, the actual revenue received shall be deemed to be appropriated. Section 4, Return on Investment of Water and Sewer Fund Assets. The Budget includes a transfer from the Water and Sewer Operation and Maintenance Fund to the General Fund representing the return on investment that taxpayers would receive if the utility were sold. The transfer for the 2014 – 2015 Fiscal

Year is calculated at 6.0% of Fixed Assets as of September 30, 2012. This transfer may be made annually but will not exceed 7.5% of the utility's net Fixed Assets. Section 5, Checks. All checks on City bank accounts shall be signed by any member of the City Council and the Finance Director. Section 6, Amount of Taxes. The approximate amount of \$17,503,679.00 shall be the amount of gross taxes to be raised by the operating ad valorem tax levy authorized by Resolution of the Vice Mayor as Acting Mayor and City Council. Section 7, Authority of Manager. The City Manager is authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by this Ordinance. Section 8, Repeal. All Ordinances or parts of Ordinances in conflict or inconsistent are repealed. Section 9, Severability. If any word, clause, phrase, sentence, paragraph, or Section of this Ordinance is held to be invalid by a court of competent jurisdiction, such declaration of invalidity shall not affect any other word, clause, phrase, sentence, paragraph or Section of this Ordinance. Section 10, Effective Date. This Ordinance shall become effective immediately upon passage on second reading. Passed and adopted by a 4 – 0 vote of the Vice Mayor as Acting Mayor and City Council of the City of North Miami on first reading. This 10th day of September, 2014; passed and adopted by a blank vote of the Vice Mayor as Acting Mayor and City Council of the City of North Miami on second reading this blank day of September, 2014.

Mayor Bien-Aimer: Thank you very much. Remember last week on the First Reading we had some amendments to the Budget. Can someone give us highlights on those changes?

Mr. Sorey: Yes Mayor. Last week in the Budget Hearing we did...by Councilman Galvin we have allocated \$100,000.00 for MoCA legal expenses. That money did come from unallocated funds from Biscayne Landing in the amount of \$100,000.00 and that is now in the attorney's budget. \$50,000.00 was allocated to Library books, EBooks and materials. That money was taken from the third party maintenance agreement from Biscayne Landing, out of non-departmental. Also at Councilwoman Keys request \$27,000.00 was budgeted for Miami Herald advertisement for various meetings and everything. That money was taken from the recommendation of Councilwoman; we reduced travel in the Budget to take care of that costs. We did remove one month so now the Mayor's salary is reflective of one month short to 11 months also in the Budget. And we did update the Mayor travel Budget but it's actually the 400 account, which is the Office of the Council for the Miami League of Cities Gala. It was budgeted \$828.00 but the amount was \$1,500.00. All of those changes that were made you guys do have some of the backup changes are on.

Mayor Bien-Aime: Since we already vote on those changes...you said \$100.00 from the money from MoCA is coming from where?

Mr. Sorey: From unallocated Biscayne Landing funds.

Mayor Bien-Aime: And the \$50,000.00?

Mr. Sorey: The \$50,000.00 is coming from the third party maintenance agreement from Biscayne Landing.

Mayor Bien-Aime: And the \$27,000.00?

Mr. Sorey: Twenty-seven was removed from Staff travel.

Mayor Bien-Aime: Now Public Hearing is open on the 2014 – 2015 Amended Budget. Public Hearing is open.

Mr. Enise: Richard Enise, 13030 N.E. 10th Avenue. I'm not sure if this is the time or if this was part of what was already figured. Is the water rate going to remain the same? Did the study come back to make any kind changes on second meters being charged the base rate or duplexes being charged a second base rate when there's only one meter?

Mayor Bien-Aime: This is Budget Hearing unless that item was in the Budget, I think we should address that tomorrow night at the regular Council Meeting about that rate.

City Manager Ghany: We did get the draft study and we are looking at the numbers, they are not final. But I'll bring it...

Mayor Bien-Aime: Like tomorrow because...

City Manager Ghany: It wouldn't be final by tomorrow. It would be final by the next...

Mayor Bien-Aime: But at least you will have an update.

City Manager Ghany: Yes we will have an update by tomorrow.

Mr. Enise: Well since I've got a couple of minutes I'm going to plead my case once again for the duplexes that have one meter with a second base charge. It's a totally illogical charge. Because first of all, I could have you come out and put another meter in to say I'm going to put a tenant in the back, never connect to it and you're going to move the second base charge off of my meter. Secondly, I'm getting charged on a tiered rate whereas if you had two meters there would two tier rate starting from the base. And it would be two base charges and both meters would only be paying a lower rate

when the water would be split to those two meters. So it doesn't make any sense to have a second base charge on one meter and you have a tiered rate where I'm going to pay the same amount of water no matter what's being used whether I go to a higher rate or not. And I'm going to be paying the same sanitation. You're not getting anything less for sanitation. So it's a totally illogical charge, it should have never been there that way. I don't know why it was done that way and changed a few years back when we shifted the way we billed and you have a minimum usage of 5,000 gallons. And then it went up and you changed to the tiered rate and somehow you snuck in a second base charge for a single meter. Which is just totally illogical, it doesn't make any sense. That's my case.

Mayor Bien-Aime: Thank you very much. Public Hearing is open on the Budget. Public Hearing is open on the Budget. Public Hearing is now closed. Can I hear a motion?

Councilman Galvin: Motion to approve the Budget as proposed.

Mayor Bien-Aime: Second.

City Clerk Etienne: We have a motion from Councilman Galvin, seconded by Mayor Bien-Aime.

Mayor Bien-Aime: No, no we're going to have discussion. Ask? I don't know if...

Councilwoman Keys: I have a couple of questions please. First Mr. Enise thank you for coming. I would like to take a look at your bill and discuss that separately as its a little different issue. But I would like to meet with you. The rate study did come in a little bit late. We tried to push to get this months ago but it's finally here. It isn't finalized and I'm going to ask the Manager and our Budget Director is this something we're supposed to be discussing this evening. In round numbers to eliminate or to eliminate half that base rate is going to cost us approximately \$125,000.00? And we are getting...since it's not a...it's not just automatically doubled for the entire rate; you were going to get those figures for us. So I don't know if we're ready to really discuss the rates. But are we supposed to vote this evening in our Budget for this...the second meter water rate or are we going to do this tomorrow cause it's not on the agenda?

Mayor Bien-Aime: Councilwoman Keys, whatever we're going to add in the Budget we're going to need a vote. But you know we always can do an amendment in the Budget when we have all the studies and all Councilmembers are okay and familiar with the subject. Then we can put it on the agenda and vote on it from what I understand.

City Manager Ghany: Point of clarification. As I said before, the rate study was only done on the second or with the irrigation meter. We looked at all the

numbers and it's a draft report. The consultant is looking at a 25%, a 50%. We've requested also a 75% reduction on the base charges. That report has not been finalized. But one of the things that I can tell is, in looking at the draft report there is not a straight line relationship. When I say a straight line, the 25% to 50%, 50 to 75 is not a direct straight line relationship. There's a difference in the impact...a Fiscal impact that is 50% is equivalent of about \$125,000.00 whereas maybe a 75% might run you all the way up to about \$300,000.00. Meaning it's not a direct or a straight line relationship.

Councilwoman Keys: I was told two years ago we could not do anything with our water meter rates because we had our Budget and we would have to wait for the next Budget cycle. The Budget cycle came up last year and I was told we couldn't do anything because we had to have a rate study. We have our rate study and I know it's not complete but I do not want to hear next week if we don't do something tonight that we have to wait another whole Budget cycle.

City Manager Ghany: We do not have to wait a whole Budget cycle. We are talking about the Utility Fund. It's not your ad valorem or it's not your directly related General Fund revenues we're talking about. It's Utility Fund and at any time this Council can vote on it to change or make a change on the rates.

Councilwoman Keys: Okay. I want to make sure because I don't want to wait another year.

Mayor Bien-Aime: Is that correct, City Attorney?

Mr. Sorey: I just want to add that this will not affect...it does affect the revenues. Not really the revenues but if we did make a change to the base charge basically what we would do, we would put that in for this year basically as a capital project basically at the expense of whatever the rate is that we're going to do. And we would take it out of...

Mayor Bien-Aime: We know we can amend the Budget. We just want to make sure and Councilwoman Keys said from what she heard in the past, we couldn't. And bringing that up we want to make sure is it legal, can we bring it back at any time?

City Attorney Monestime: Yes. I think one of the issues was based on our SRS Funds because those funds were based on the rate study from the State. And so I think we have to look into exactly how that's going to impact the loan amount that we received and whether it's going to impact it.

Councilwoman Keys: Okay, thank you. Two more questions. Councilman Galvin requested an additional \$100,000.00. We discussed legal fees, possible legal fees for MoCA. I'm hoping we don't have any further legal fees next year. I would like that

the \$100,000.00 set aside for legal fees be a line item strictly for MoCA legal expenses and not just for general legal fees.

Mayor Bien-Aime: That means the \$100,000.00 you don't want to add it to outside counsel?

Councilwoman Keys: Not general, no.

Mayor Bien-Aime: You want the money to put aside for MoCA?

Councilman Galvin: MoCA outside counsel.

Councilwoman Steril: But that's what it says.

Councilwoman Keys: No it's combined. Right now it's combined. And I have requested that it be two lined. But if we don't spend it for MoCA counsel then it goes back to General Fund.

Mayor Bien-Aime: Not to unallocated...that's where it's coming from. Okay that's fine. That's a friendly amendment right?

Councilwoman Keys: Sure please.

Councilman Galvin: And I'll accept it. If we settle with MoCA tomorrow then the money goes back into the fund.

Mayor Bien-Aime: And we will vote separately on that friendly amendment.

Councilwoman Keys: I have one last item. We have put in and a lot of people have called me and questioned me on this. We have \$250,000.00 set aside for the Biscayne Landing clean up and I'm willing to leave it in there. But I believe that the contract is (inaudible) last year. The Council just voted to go ahead and roll it over. I would like...I would be agreeable to put 250 in there now if we would go ahead and put an RFP for this contract. It's a \$250,000.00 contract. I'd like an RFP and I'd also like the City to put a bid in for the same work. We've been discussing this for the last year and I believe the City really can handle the same work for a lot less money. So I'm willing to put 250 in there but I want it to be fair. I want it to go out again and I want our City to maybe be able to do it in house. I don't want to just renew a contract again.

Mayor Bien-Aime: That's two separate issues. I think we need to vote on the Budget and the other part is for the regular City Council. \$250,000.00 we'll put aside for the Biscayne Landing and I agree with Councilwoman Keys. Sometimes we need to

watch dog when it comes to the government and the private sector. If we have a third party to make sure all of our interest are protected. And I think it's better for the City. If you see the field that was there and if it was not a third party, we won't discover that the field was contaminated. And I don't agree that much with you but that's not the subject for tonight. But we're going to vote on the \$250,000.00 for the project. And then at another Council meeting we can always discuss what we want to do with it.

Councilwoman Keys: Thank you. Arthur, thank you very much. You did a very good job on this Budget. I've gone over it; I've spent a lot of time with Mr. Sorey. You've made changes for me. I don't need to bore the public with my comments. So I have no further comments.

Mr. Sorey: Thank you.

Mayor Bien-Aime: Thank you, Councilwoman Steril.

Councilwoman Steril: I'll wait for Scott.

Mayor Bien-Aime: Scott, he already moved to approve.

Councilman Galvin: Thank you. Through you Mr. Mayor to the City Manager. Who is our Finance Director right now?

City Manager Ghany: We have an interim. The Interim Finance Director who was actually the Assistant Finance Director Carl Lafleur.

Councilman Galvin: Carl?

City Manager Ghany: Carl Lafleur.

Councilman Galvin: Lafleur?

Mayor Bien-Aime: No, Carl Lafleur.

City Manager Ghany: Lafleur.

Councilman Galvin: I just had no idea. Because of unique circumstances with the resignation coming during the Budget procedures, I had no idea who our Finance Director was. So hi Carl, good to see you. I know who he is but I didn't know that he was acting in that capacity. So I just wanted to ask since it sort of crossed my mind like who's our Finance Director right now. And Carl was at my office just a couple of weeks ago talking about some other things. So congratulations.

Mayor Bien-Aime: Thank you.

Mr. Lafleur: Thank you.

Councilwoman Steril: I'm glad you asked. I didn't know.

Councilman Galvin: That's the thing, I had no idea. Funny thing, you want to know who's your Finance Director is during the Budget season. I was questioned this week about a water publication that arrived in mailboxes within the last couple of days. I learned through the afternoon that it cost us \$7,000.00. It's a nice glossy, three-fold, pages in between publication talking about our water qualities and some other City information. I understand it cost us about \$7,000.00, a little over \$7,000.00. Where did that money come from? Is there a regulation that says it has to be that glossy? Can it be reduced to something else and might we be legal just to post it online saving the entire expense?

City Manager Ghany: Actually no. For the first, it's two parts to the question. Yes it is required and it's a compliance measure. As long as the City operates a water utility we do have to send it out to all the water customers that we serve. And that's a FDEP/EPA regulation that we must...that the City must comply with. That is the water quality report. It is also called a consumer confidence report that we send out to every one of the utility customers. Secondly what we do is, we combine it with the flood plain regulation. As part of the City's flood plain ordinance we send out a mailer to every one who lives in the flood plain. So what you're actually doing is killing two birds with one stone. We actually do two mailers that is mandated under the Federal Government where we comply with two separate items under the EPA's ruling.

Councilman Galvin: And is it necessary that it be full page, color, glossy?

City Manager Ghany: This was compared to twice already by our Public Relations Office. The difference in cost is like about \$500.00. And if you look at other cities and what is sent out with other cities, we are comparable with what other utilities and other cities are sending out.

Councilman Galvin: Thank you. And it comes from our Water & Sewer Utility Fund?

City Manager Ghany: I'm actually right. The third party question is, it's a combination of the two funds where the both of these funds are Enterprise Funds. One is from the Stormwater Utility and the second is from the Water & Sewer Utility.

Councilman Galvin: Thank you. My other question for the Budget is very random and if nobody knows the answer tonight, I'll understand. There was a donation

made by the family of Diane Heymer for the Keystone Point Tot Lot in memory of her son who past Bobby Heymer. There's a plaque there that says in memory of Bobby Heymer. But several people asked me between first and second Budget Hearing cause we got to talking about Keystone Tot Lot improvements. Was the Heymer family donation specifically made for tot lot improvements, was there any verbiage in the agreement signed between the City and Heymer family for what it would be used for? How much was it for? What was it spent on? I had no idea.

Mr. Sorey: It was specifically for the Keystone Tot Lot, I am positive of that. The amount I want to say was in the ball park of maybe \$20,000.00. And I know Mr. Corker would know exactly the amount. I'm not sure but I know it was about \$20,000.00. And it was to just do upgrades at the facility. I think we combined that with the money that we budgeted for Progress 2013 to work on the shade structures that's supposed to be installed out there. And that's where the money comes from.

Councilman Galvin: Thank you. Anybody who happens to come across any other detail on that it's just a hot topic of conversation. I just wanted to get it on the record right now that approximately 20, \$25,000.00 towards Keystone improvements sounds like it might have gone for the shade sails, which should be installed within two weeks. That's all the questions I have. Thank you Mr. Mayor.

Councilwoman Steril: Thank you sir. Mr. City Manager, I discussed the Governmental Affairs position with you. And I was under the impression that it was not in the Budget. So the last time I didn't look at it. But when I was going through the Budget, I see it's in there. Do you have a reason why? Because what we discussed is, we have about three positions that one person was doing, which she did a marvelous job. I'm not assuming that she should stay doing all the three positions. But I understand she moved up as Chief of Staff, which I agree. I think it's a good thing. But we...why is it that we still have the Governmental Affairs when it seem like she's going to be doing the same thing?

Mayor Bien-Aime: I don't think we can question a person in the Budget.

Councilwoman Steril: I'm not questioning the person, I'm questioning the position. There are two positions...that's what I said.

Mayor Bien-Aime: Two items on the Budget.

City Manager Ghany: Its two separate positions. And what's distinct...

Councilwoman Steril: It actually was three separate positions that one person was doing which we discussed and it was not fair. Go ahead.

Councilwoman Steril: What it is actually we're going to separate the position because we're looking at having the grant writing as a separate, a completely separate position that is going to come. And that's the reason why I left it in the Budget.

Councilwoman Steril: But didn't you say that the different departments actually wrote their own grants? It's only supervised by the...

City Manager Ghany: Yeah but we still have monitoring requirements on the grants and it's something that you know we still have to monitor. We have several grants that we have applied for. Potentially we're looking at the TAP grant which is over \$700,000.00. We have some FDEP and SRF funding as well. So we still need the...

Councilwoman Steril: If we...because I see that this position will cost us...never mind. Now I...that's okay. My next question, the CRA, I see...except I don't understand. I see a different department it has been...there's a stipend from the CRA. I see a line item says CRA on Public Works and stipend \$47,000.00. I'm assuming that's a mistake or I just don't understand it.

Mr. Sorey: The CRA stipend is for services for the individual who helps with the CRA does receive a stipend for it. Remember we got rid of the full time employees. Basically what that is, the CRA will pay in to offset the cost, the CRA covers that extra stipend cost. That is not a cost to your General Fund.

Councilwoman Steril: How do you guys come with...I know right now we're...it's weird that we have...we don't...the CRA and the City is two different entities but we cannot talk about one not to fall and talk about the other one. But we have not voted on the CRA Budget to know how we're going to allocate the money. But yet again the City voted on the money that the CRA has not given the City yet. I mean it's kind of like difficult in what I'm saying. But yet again we have to present it in a way that it's legal. But maybe the City Attorney can help me. Because right now we're voting on the City Budget and when I look at the line item I see that...I'm not discussing about what we put in there. But I'm feeling like it has some kind of shady legalities going on that I don't understand. We have about \$47,000.00 under Public Works which does not say what it is, it just says stipend \$47,000.00. And it says different departments, even the Finance Department has...the Director has a stipend, the Assistant has a stipend from the CRA and I'm not sure who voted on...when did we vote on that from the CRA for the City to claim it?

Mr. Sorey: That will definitely be in the CRA Budget discussion. And you're right; maybe it shouldn't have been placed in already. The CRA Budget will be coming to you at the beginning of next month at your CRA meeting. But right now we are...since we don't have a CRA Staff in place; the General Fund is...the employees of

the City are performing the duties for the CRA at a stipend cost. Those same costs that we're doing now is what's reflected in the Budget.

Councilwoman Steril: So my legal question is to you. We actually voted on money that the CRA did not give us. So we're actually taking money from the CRA that didn't vote into the City. For example the \$47,000.00 from Public Works...

City Attorney Monestime: From the CRA Budget?

Councilwoman Steril: ...as stipends. What is stipends \$47,000.00? So I don't want to hear the Commissioner come back through Scott telling me that I'm taking money from the CRA without a true line item. And we're paying Finance...

Mr. Sorey: It's a stipend. The pay that you are referring to is \$3,500.00.

Mayor Bien-Aime: What page?

Mr. Sorey: Page 369 for Public Works. And it's a stipend cost, its separate. Its two separate entities. We did just back out the cost in there. But what happens is, when we have our payroll, our payroll system...the payroll system cannot split the cost of an employee. Our system cannot split the cost of an employee. So the regular cost, we have to fund the whole cost that we have or the balance will be off. During the Fiscal Year it'll be over Budget. But what'll happen from the CRA, the CRA will pay the City those stipend amounts. But your question is valid, how can we put it in and we haven't voted on it.

Councilwoman Steril: You have 35; I have 47 on my...\$47,202.00.

Mr. Sorey: You see right above it...

Mayor Bien-Aime: I was checking and it thought it was for the secretary.

Mr. Sorey: That's for the secretary.

Councilwoman Steril: Yeah but it's from the CRA.

City Attorney Monestime: What would happen, if as the CRA Board you do not approve these expenses in your Budget, then the City would have to make a Budget amendment. It has to be the same so it should have been...

Councilwoman Steril: I'm not comfortable about calling it a stipend in there. Because we cannot call it a stipend in the Budget, the CRA Budget saying that a

line item stipend to the City, CRA \$47,000.00. I'm sure we're not going to have it that way in our CRA Budget. So can we...

Mayor Bien-Aime: So that means the \$47,202.00 we're going to get it from the CRA to pay a secretary for the City?

Mr. Sorey: \$200.00 is for the secretary from Public Works.

Mayor Bien-Aime: Okay, you're getting the money from the CRA? I don't see anything for the CRA stipend in here?

Mr. Sorey: Above the \$47,000.00 minus \$3,500.00, that's the stipend amount.

Mayor Bien-Aime: Yeah the 3,500.00. The 47 is for the secretary. It's not coming from the CRA. It's not the CRA line.

Mr. Sorey: We didn't add...

Mayor Bien-Aime: The \$47,202.00 is for secretary.

Councilwoman Steril: So the...

Mr. Sorey: \$3,500.00, we're deducting \$3,500.00 from our bottom line because we're saying the CRA is supposed to pay for that cost.

Mayor Bien-Aime: It's only \$3,500.00.

City Attorney Monestime: But the point is still the same. Whether it's \$47,000.00 or \$3,500.00.

Councilwoman Steril: You cannot call it...I'm not saying you can't because either way the legal way of saying or the finance way of saving it, it has to have a better word or a better way of just saying stipend. Because we cannot have stipend in our Budget.

Mayor Bien-Aime: But I think we already vote on the reorganization of the CRA and all the policies that we set for the CRA. Now in our Budget we're doing the adjustment because in order to pay him and in order to pay legal fees, that means we already vote on that.

Councilwoman Steril: No I don't have a problem with that because we did that before. Throughout the CRA life that's what we do, we actually take money. We used to do Code Enforcement; we used to do a lot of things.

City Manager Ghany: The Clean Team is budgeted under the CRA.

Councilwoman Steril: I'm just not...feel comfortable about calling it a stipend.

City Manager Ghany: So we can remove stipend and...

Mayor Bien-Aime: But it's everywhere in the Budget. That's not only on Public Works.

Councilwoman Steril: I just took one example. It's everywhere in the Budget.

City Manager Ghany: So if you're comfortable we'll just use CRA allocation.

Councilwoman Steril: Maybe so.

City Manager Ghany: CRA allocation. So we will change the stipend for a CRA allocation in the Budget.

Councilwoman Steril: So how much money in total that the CRA is actually giving to the City?

Mr. Sorey: It's about \$50,000.00 total.

Councilwoman Steril: So you guys have a good feel that the County will support that?

Mr. Sorey: Yes definitely.

Councilwoman Steril: The half-cent tax. The distribution is not clear this year. Last year or prior year, it used to say like if it's \$200,00.00 for...I remember they used to distribute in different cities...districts. This district has \$50,000.00 or we know exact projects. But this one...which page I should go in?

Mayor Bien-Aime: I think this...

Councilwoman Steril: And another thing you have the divider with your different departments I do. I like the way that the City Manager has it so I have to go look all over the place to find mine.

Mr. Sorey: This year for the half-cent, what we did do, we didn't specify per district. We were going to do it...we were going to make all the things based upon needs. And that's what we kind of got as we felt this stuff was needed; we would do allocations and take care of projects as needed throughout the whole City as a whole. So we didn't break it up by district.

Councilwoman Steril: Not even by project? You're just going to have the money sitting there and...

Mayor Bien-Aime: We're going to identify the project throughout the year.

Mr. Sorey: We'll identify the projects throughout the year and we'll do them based on needs and everything. So we didn't separate it by district, no ma'am.

City Manager Ghany: And one other thing to keep in mind, the half-cent there's limitations on the funding and what it can be spent for. Sidewalks, street overlays, street repaving. So it's only those aspects we can try to do.

Councilwoman Steril: I think that you do have the list of items on there; you're just don't allocate specific amount of money. The Sewer charge, I understand that it's from...the County get the money. So how do we...how do they repay us back for maintenance of the line, the sewer line and all that?

City Manager Ghany: We pay the County.

Councilwoman Steril: so do we pay the County...that was just a water bill question that I get when everything come up. The City get all my money. And I was trying to explain to them. That no the City actually...the money goes directly to the County. But I was under the impression the County all the money but yet again, we do all the work. Is there a percentage that we take? Let's just simplify it.

City Manager Ghany: There's two things. About 85% roughly.

Councilwoman Steril: What is it?

City Manager Ghany: About 85% of your water usage is what goes into your waste water or your sanitary charges. Now North Miami and most of the cities of Dade County own the collection system. When I say collection, the sewer system. Miami-Dade County owns the treatment system, what is the waste water treatment plant.

So we have what is called a consecutive system. We own the lines and the pump stations, which we maintain. And we pump everything to Miami-Dade County. Miami-Dade County has their lines and the treatment plant. So we pay Miami-Dade County a waste water treatment charge. It's a pass through cost that we get from Miami-Dade County annually.

Councilwoman Steril: So how much...the 85% that's the 85% we actually pay the County?

City Manager Ghany: Well 85% of your...

Councilwoman Steril: From the 100% that we get.

City Manager Ghany: Well 85% of your water usage is what is your waste water charges.

Councilwoman Steril: Yeah but how much do we pay the County? What is the percentage of what we collect?

City Manager Ghany: Every year the rates actually change. It's in the book. I'm getting it for you.

Councilwoman Steril: Why you're looking can I ask my next question?

City Manager Ghany: It's here.

Councilwoman Steril: What page?

City Manager Ghany: Page 487. You see Miami-Dade County Sewer Disposal Permit and Sewer Disposal Fees? There's two rates. There's a dry season or the dry period which we pay \$2.24 per thousand gallons. And the wet season rates...

Mr. Sorey: I think we do it off an average. The rate is \$2.24 per thousand gallons on page 487. And that's the money that we pay to Miami-Dade County. Underneath it at the end, and these are just estimates amounts of what the bill is going to be based on the prior year. Miami-Dade County comes back after the fact and tells us what our true costs was. Sometimes they owe us money, sometimes we owe them additional money, so that's why we have a true up cost there in the amount of \$500,000.00. But that's the money we do pay the County for our sewage.

Councilwoman Steril: So the money that we actually charge the customers, we actually pay the County more than what we're collecting, is that what I'm hearing?

City Manager Ghany: No, it's a pass through cost. Let's say the County charge...

Councilwoman Keys: But what I'm hearing is that, we actually have to throw up whatever we didn't collect.

City Manager Ghany: No the throw up is the number that the County has. At the beginning of the year there's a proposed rate. If the rate falls under that proposed rate, then there's a throw up charge. If the City gets back the money at the end of the year, then it is allocated to the prior year allocation.

Councilwoman Steril: Okay, I'll talk to you later about it. It's kind of like...I'm still not there yet. Billboards, so this has been...the contract is for...I mean we had that contract for what ten years now?

Mr. Sorey: I believe the contract has been like six or seven years now. The contract is a 20-year contract.

Councilwoman Steril: I know I did ask the previous Manager regarding the...what is it? Are we just stagnate with the price, how much they've been giving us for the past years? Are they making more money? Are we making the same amount? Have you guys ever think about...

Mr. Sorey: Our constant revenue stream from the billboards every year annually is about \$302,000.00.

Councilwoman Steril: I know for the past...

Mr. Sorey: As far as...yeah for the past...every year. I think in the contract it said maybe we can...no, I don't think we can even change it. We're locked in for 20 years.

Councilwoman Steril: With the same rate?

Mr. Sorey: Same rate.

Councilwoman Steril: So you guys have been in contact with the billboard people or...

Mr. Sorey: They send us our checks every month and that's it. We can reach out to them if you'd like. That might have been...I know Mr. Johnson did ask me about the contract and I did forward him the contract. I got the contract and sent it to

him. But it was a 20-year contract, I'm positive of that number at the rate. If we can look into and call them and I don't know why they would want to renegotiate.

Councilwoman Steril: That would be nice.

Mr. Sorey: Because I'm sure they're making more money than that now.

Councilwoman Steril: They're making more money than how they started, I don't understand why we...if the City Attorney is the only one that can actually help us to see what's the legalities on that and how good of a partner they have been. And the City needs more money for capital improvement so why not try to collect wherever that we can. Don't you guys agree?

Councilman Galvin: I voted against it years ago. You can take all those billboards down in my opinion.

Councilwoman Steril: It's not about voting against or not. All I'm saying that, if we can make a little bit more money for capital improvements, I would love to see that happen. At least to start talking. Maybe next Council meeting, not tomorrow but bring up some updates on what's going on.

Mayor Bien-Aime: First you need to review the contract, the agreement and see what the options are.

Councilwoman Steril: That's why I said next Council meeting give us an update. I'm not trying to say what they have to do. Just give me an update and bring it before us again. And then between the City Attorney and the City Manager, see how we can actually renegotiate or where we can go from there.

Councilman Galvin: Or revoke.

Councilwoman Steril: Well hey, whatever that's possible. Because we have a contract with them so we can't get out. There's no where it says we're going to discontinue their contract. My final question...what is it?

Councilwoman Keys: I said contracts are meant to be broken.

Councilwoman Steril: Well hey that depends on how...I don't want to go into that.

Councilman Galvin: Spoken like a true lawyer Carol.

Councilwoman Steril: Audit.

City Manager Ghany: Yes.

Councilwoman Steril: Throughout my...the...I mean I think most of the departments have allocations for audit. Is it at the end the same audit, one audit but every department actually contributes?

Mr. Sorey: Every fund contributes to the audit, yes.

Councilwoman Steril: That's what I thought. But I was wondering does every department have a stand alone audit. Thank you sir, good job guys.

Mayor Bien-Aime: Thank you very much.

Councilwoman Steril: Good night everybody.

City Clerk Etienne: So Mayor we have a little easy thing we can fix. We did have a previous motion made before the amendments made by Councilman Galvin, seconded by you. And here's the amendments since the motion. The first amendment was, an amendment was made by Councilwoman Keys where the \$100,000.00 outside attorney funds must be a line item fund for MoCA outside counsel only. If funds are not used, funds shall be placed into the General Fund. That was the first amendment. The second amendment was made by Councilwoman Steril where she wanted the term...well I'm going to read it verbatim. Change the word stipend to CRA allocation whenever the funds are coming from the CRA. So I guess my question is, would the Councilmember still make the motion and Mayor still second the motion with these amendments?

Mayor Bien-Aime: I second.

Councilman Galvin: I certainly accept the friendly amendments as made by...

Mayor Bien-Aime: And I second it with the amendments.

City Clerk Etienne: Very good.

Mayor Bien-Aime: Now roll call please.

ROLL CALL

Mayor Bien-Aime	Yes
Councilwoman Keys	Yes
Councilwoman Steril	Yes
Councilman Galvin	Yes

City Clerk Etienne: Item passes 4-0.

5. *ADJOURNMENT*

Mayor Bien-Aime: Thank you very much.

Councilman Galvin: Motion to adjourn.

Councilwoman Steril: Good luck.

Mayor Bien-Aime: Second. Thank you very much.

Councilwoman Steril: Move to adjourn?

Mayor Bien-Aime: We did.